

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

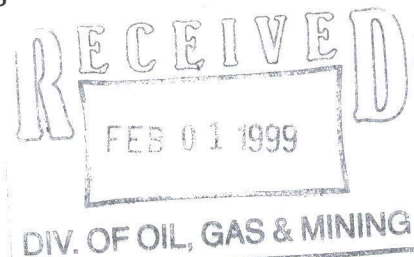
1594 West North Temple - Suite 1210

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Salt Lake City, Utah 84114-5801

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ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/98 To (mo./yr.) 1/99
2. DOGM File Number (Mine No): 510301009
3. Mine Name: PARK VALLEY II
4. Mineral(s) Mined (or permitted to mine): MICACEOUS QUARTZITE SCHIST
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
7. Name of Operator or Company: _____
8. Permanent Street Address: N/A
City, State, Zip: _____
Phone: _____
9. Company Representative (or designated operator):
Name: N/A
Title: _____
Business Address: _____
City, State, Zip: _____
Phone: _____
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☐ No ☒
2. If no - what was the last year of activity? N/A
3. If yes - how much ore or mineral was mined? N/A

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

LEASE HAS BEEN DROPPED

5. How much **additional acreage** was disturbed during the past year? _____

6. How much acreage was **reclaimed** during the past year? _____

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

NO DISTURBANCE

8. What is the **total** disturbed acreage of entire project at years end? _____

9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

LEASE WAS DROPPED IN 1997 AND IT IS NOT
ANTICIPATED THAT OPERATOR WILL AGAIN ATTEMPT
TO PURCHASE MATERIAL FROM THIS AREA. SHOULD
BE DROPPED FROM "REPORT LIST" IN FUTURE.

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

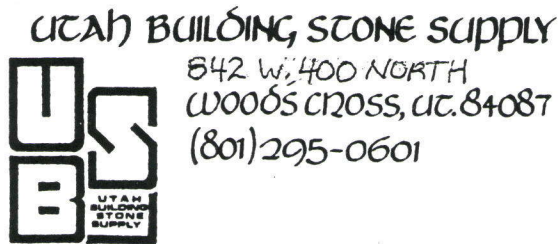
I hereby certify that the foregoing is true and correct.

Name (Typed or Print): _____

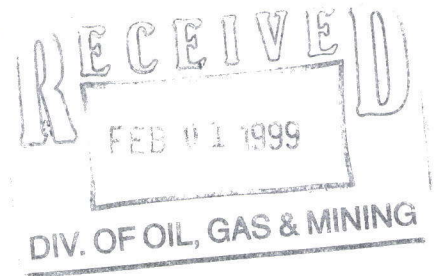
Title of Operator: _____

Signature of Operator: _____

Date: _____



5/003/009



Feb. 1, 1999

Dear Wayne,

Please find accompanying our annual reports for 1998 mining activities. I am also aware that I have not yet remitted required fees for 1998 which were due in July of last year. We made a couple of dubious decisions with regard to sub-contract work, and had some other unfortunate incidents that have really kept us broke. I am very sorry that fees have not been paid, and will catch them up as quickly as I am able.

There is just a very long line of folks with their hand out requiring money from mine, and there just hasn't been the money to make good on these obligations. I will do my best.

Sincerely,

Bill Bawn